FY 2004 Performance Priorities for the Regions

AAship: OAR

OAR's overall goals include: improving air quality and addressing highest risks; getting results in the least burdensome way; and increasing the roles of state, tribal and local governments.

(1) Performance Priority: Reducing Health Risks from Particulate Matter

Fine particulate emissions are the most serious environmental health threat that we face today. Years of research have proven the adverse respiratory and cardiovascular impacts – especially for at-risk populations. EPA's strategy for achieving clean air includes a comprehensive, multi-pollutant approach with President Bush's Clear Skies Initiative as a key element. In addition to Clear Skies, which focuses on electric utilities, the strategy includes national programs for reducing mobile source emissions, and state, tribal, and local clean air programs.

<u>Clear Skies Initiative</u>. We will work with the Congress to develop legislation that will create a mandatory program to reduce power plant emissions of sulfur dioxide, nitrogen oxides, and mercury by 70 percent by setting a national cap on each pollutant. The dramatic reduction in power plant emissions will reduce levels of fine particulates, ozone, acid deposition, and regional haze in every part of the country where power plants contribute significantly to air pollution. Under Clear Skies, each year, by 2020, Americans would experience approximately: 12,000 fewer premature deaths; 7,400 fewer cases of chronic bronchitis; 11,900 fewer hospitalizations/emergency room visits for cardiovascular and respiratory symptoms; and 15 million fewer days with respiratory illnesses and symptoms, including work loss days, restricted activity days, and days with asthma attacks.

<u>Mobile sources</u>. We will implement existing mobile source standards, including new standards for diesel fuel and trucks and buses. In addition, we will put in place new fuel and engine standards for non-road diesel engines, the largest contributors to mobile source particulate emissions.

<u>State and local clean air plans</u>. We also will work with states, tribes, and local programs to develop the additional local measures necessary in areas with the worst air quality. We will encourage states, tribes, and local programs to adopt measures that achieve early reductions in emissions to provide public health benefits sooner.

Performance Expectations for Regions: In FY 2003, states and tribes must propose boundaries for areas not meeting the fine particulate standard. In FY 2004, EPA must publish final decisions designating areas. Regions should work with their states and tribes to ensure that the designation schedule is met. Regions also should work with states, tribes, and local programs to ensure implementation of voluntary early reduction measures, emphasizing measures that protect sensitive populations.

(2) Performance Priority: Make Existing Regulatory Programs Work Better

We lose credibility when we are inflexible in imposing requirements that have little impact on air quality. We need to provide flexibility where it makes sense, and be problem solvers, not just program implementers.

<u>Reform new source review.</u> To help improve new source review, we have completed one rule, which takes effect on March 3, 2003, and proposed another. These actions will offer facilities greater flexibility to improve and modernize their operations in ways that will reduce energy use and air pollution, provide incentives to install state-of-the-art pollution controls, and more accurately calculate actual emissions of air pollution.

<u>Focus on Title V priorities</u>. At this point, we are well over a decade into the Title V operating permit program. Although behind schedule, state and local agencies have issued almost 90 percent of the permits. The pollution sources that remain to be permitted are among the largest and most complex.

<u>Focus air toxics program on risk.</u> Our integrated air toxics program has four elements: use the National Air Toxics Assessment (NATA) to set priorities and guide programs; develop source-specific and sector-based federal standards; carry out national, regional, and community-based initiatives that focus on multi-media and cumulative (including indoor-outdoor) risks; and providing public education and outreach. Priorities for the toxics program include: complete Maximum Achievable Control Technology (MACT) standards on a schedule that avoids case-by-case decisions by states; achieve cost-effective risk reductions through additional national and local measures; and, work with stakeholders to identify the risk reductions that matter most to local citizens.

<u>Performance Expectations for Regions:</u> Regions should assist state and local agencies in revising their clean air plans to implement the EPA new source review rule that becomes effective on March 3. Regions should work with states, tribes, and local agencies to complete the remaining Title V operating permits, focusing on those things that are the most benefit to the environment.

Regions should work with states, tribes, and local agencies: to implement MACT and other national air toxics standards; to expand monitoring of air toxics and inventories of emissions; and to carry out community-based air toxics initiatives that identify and address issues of concern. In carrying out monitoring and community-based initiatives, states, tribes, and local programs should focus their efforts on areas with highest potential health risks, as identified through NATA and other information.

In February 2002, President Bush announced a new approach to global climate change designed to harness the power of the markets and technological innovations. The President committed America to cut greenhouse gas emissions relative to the size of the American economy by 18 percent. EPA's climate change efforts include voluntary government/industry partnerships, such as the ENERGY STAR programs, the Commuter Choice Leadership Initiative, and the Clean Automotive Technology program, that remove barriers in the marketplace and deploy technology faster in the residential, commercial, transportation, and industrial sectors of the economy.

<u>Performance Expectations for Regions</u>: Regions should provide technical support to those state and local programs that choose to conduct greenhouse gas inventories and develop action plans. Regions should promote energy efficiency of buildings through the use of EPA's building benchmarking system, as well as providing clear information and sharing lessons learned on the benefits of landfill gas, combined heat and power, and renewable projects.

^{*}In addition to the priorities summarized below, OAR places a high priority on homeland security. Within the next several months, we expect to have the Bio-Watch monitoring network in place and operated by state and local agencies. Our other major homeland security program, upgrading the national radiation monitoring network, will be in the design stage in FY 2004.